

Matin Spinning Mills PLC

Unaudited Financial Statements

As at and for the 2nd quarter ended 31 December 2022

Matin Spinning Mills PLC
Statement of Financial Position (Unaudited)
As at 31 December 2022

[Amounts in Taka]

	Notes	31 December 2022	30 June 2022
ASSETS			
Non - current assets			
Property, plant and equipment	02	5,696,898,147	4,371,812,348
Right-of-use assets (ROU)		3,538,856	4,865,928
Investment	03	49,993,930	54,819,850
Capital work-in-process	04	99,485,847	1,471,058,264
Total non - current assets		5,849,916,781	5,902,556,389
Current assets			
Inventories	05	1,994,221,207	2,278,906,219
Accounts receivable	06	1,979,738,195	1,262,026,807
Advance, deposits and prepayments	07	483,990,057	431,042,406
Materials in transit	08	209,014,418	62,615,810
Cash and bank balances	09	297,966,536	453,941,471
Total current assets		4,964,930,413	4,488,532,714
Total assets		10,814,847,194	10,391,089,103
EQUITY AND LIABILITIES			
Share capital		974,900,000	974,900,000
Share premium		920,700,000	920,700,000
Retained earnings	10	2,435,150,632	2,533,891,009
Revaluation reserve	11	1,472,011,562	1,481,093,650
Total equity		5,802,762,194	5,910,584,659
Non-current liabilities			
Long term bank loan	12	752,909,743	-
Lease liability		882,438	2,395,879
Deferred tax liability	13	263,601,977	255,202,443
Total non-current liabilities		1,017,394,158	257,598,321
Current liabilities			
Accounts payable	14	270,117,784	180,051,991
Short term bank loan	15	2,396,066,868	2,487,003,581
Current portion of long term loan		669,722,215	1,054,404,943
Current portion of Lease liability		3,501,376	3,501,376
Unclaimed dividend	16	74,312,429	2,035,937
Provision & accruals	17	580,970,171	495,908,294
Total current liabilities		3,994,690,843	4,222,906,123
Total equity and liabilities		10,814,847,194	10,391,089,103
NAV Per Share (With Revaluation reserves)	24	59.52	60.63


 Managing Director


 Director


 Director


 Chief Financial Officer


 Company Secretary

Matin Spinning Mills PLC
Statement of Profit or Loss (Unaudited)
for the 2nd quarter ended 31 December 2022

[Amounts in Taka]

	Notes	Half year ended 31 December 2022	Half year ended 31 December 2021	Period ended October 2022 to December 2022	Period ended October 2021 to December 2021
Revenue	18	3,986,753,644	3,060,295,466	2,034,991,037	1,503,356,581
Cost of goods sold	19	(3,272,264,682)	(2,307,952,821)	(1,725,491,878)	(1,118,534,468)
Gross profit		714,488,962	752,342,645	309,499,160	384,822,113
Other income	20	(43,306,257)	50,548,995	25,752,137	29,654,071
		671,182,705	802,891,640	335,251,296	414,476,184
Administrative expenses		(132,695,436)	(103,928,125)	(70,486,912)	(52,817,478)
Distribution expenses		(4,791,979)	(4,163,550)	(3,234,276)	(2,409,990)
Net profit before finance cost		533,695,289	694,799,965	261,530,108	359,248,716
Finance cost		(60,606,343)	(19,569,827)	(40,839,992)	(10,207,393)
Net profit before workers' profit participation funds & tax		473,088,946	675,230,138	220,690,116	349,041,323
Contribution to workers' profit participation funds		(22,528,045)	(32,153,816)	(10,509,053)	(16,621,015)
Net profit before taxation		450,560,901	643,076,321	210,181,063	332,420,307
Income tax	21	(62,533,831)	(100,906,177)	(29,751,011)	(52,117,796)
Deferred tax	22	(9,761,847)	(1,625,410)	(4,416,579)	(1,543,067)
Net profit after tax		378,265,222	540,544,734	176,013,472	278,759,444
Earnings Per Share (EPS)	23	3.88	5.54	1.81	2.86



 Managing Director



 Director



 Director



 Chief Financial Officer



 Company Secretary


Matin Spinning Mills PLC
Statement of Other Comprehensive Income (Unaudited)
For the period ended 31 December 2022

[Amounts in Taka]

Notes	31 December 2022	30 September 2022
Net profit after tax for the period	378,265,222	540,544,734
Revaluation reserve of land and building	-	-
Deferred tax on other comprehensive income	13.01 1,362,313	1,447,192
Total comprehensive income for the period	<u>379,627,536</u>	<u>541,991,926</u>



 Managing Director



 Director



 Director



 Chief Financial Officer



 Company Secretary

Matin Spinning Mills PLC
Statement of Changes in Equity (Unaudited)
For the period ended 31 December 2022

[Amounts in Taka]

	Share Capital	Share Premium	Retained Earnings	Revaluation Reserves	Total
First Quarter ended 31 December 2022					
Balance at 01 July 2022	974,900,000	920,700,000	2,533,891,008	1,481,093,650	5,910,584,658
Net profit for the year	-	-	378,265,222	-	378,265,222
Dividend Paid	-	-	(487,450,000)	-	(487,450,000)
Depreciation on Revalued Assets	-	-	9,082,088	(9,082,088)	-
Deferred tax on other comprehensive income	-	-	1,362,313	-	1,362,313
Balance at 31 December 2022	974,900,000	920,700,000	2,435,150,631	1,472,011,562	5,802,762,193
First Quarter ended 31 December 2021					
Balance at 01 July 2021	974,900,000	920,700,000	1,852,763,633	1,500,232,234	5,248,595,867
Net profit for the year	-	-	540,544,734	-	540,544,734
Dividend Paid	-	-	(389,960,000)	-	(389,960,000)
Revaluation surplus during the year	-	-	-	-	-
Depreciation on Revalued Assets	-	-	9,647,944	(9,647,944)	-
Deferred tax on other comprehensive income	-	-	1,447,192	-	1,447,192
Balance at 31 December 2021	974,900,000	920,700,000	2,014,443,503	1,490,584,290	5,400,627,793

Matin Spinning Mills PLC
Statement of Cash Flows (Unaudited)
For the period ended 31 December 2022

[Amounts in Taka]

	Notes	31 December 2022	31 December 2021
A. Cash flows from operating activities			
Collection from customers		3,256,536,246	3,102,964,179
Other Income		27,867,897	65,254,344
Cash generated from operations		3,284,404,143	3,168,218,522
Cash paid to employees		(207,843,731)	(187,560,329)
Cash paid to suppliers		(2,596,601,625)	(1,843,749,067)
Interest paid on loans		(57,358,621)	(14,325,489)
Income tax paid		(40,115,891)	(40,172,477)
Net cash flows from operating activities		382,484,274	1,082,411,161
B. Cash flow from investing activities			
Acquisition of property, plant and equipment		(297,818,682)	(114,965,367)
Capital work-in-process		(25,844,307)	(569,617,795)
Dividend Income		1,328,625	504,639
Investment of marketable securities		4,825,920	(3,283,000)
Interest on FDR and Bank Accounts		200,347	111,312
Net cash used in investing activities		(317,308,097)	(687,250,212)
C. Cash flows from financing activities			
Long term loan received		984,378,995	489,515,029
Long term loan (repaid)		(655,061,723)	(82,648,539)
Short term loan received from bank		2,090,517,912	1,376,631,840
Short term loan repaid to bank		(2,245,238,188)	(2,002,402,048)
Dividend Paid		(415,435,508)	(289,076,307)
Net cash from/(used in) financing activities		(240,838,512)	(507,980,023)
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)		(175,662,334)	(112,819,074)
E. Opening cash and cash equivalents		453,941,471	331,267,118
F. Effects of currency translation on cash and cash equivalents		19,687,400	2,619,537
G. Closing cash and cash equivalents (D+E+F)		297,966,537	221,067,582
Net Operating Cash Flow Per Share	25	3.92	11.10

- 1 These financial statements have been prepared in line with accounting policies as adopted in the preparation of most recent audited financial statements as at and for the period ended 30 June 2022. This interim financial report includes only those selected explanatory notes that were deemed appropriate for better understanding of the unaudited financial statements.

		Amounts in Taka		
		Notes	31 December 2022	30 June 2022
2	Property, plant and equipment			
A	NON REVALUED ASSETS:			
	Cost			
	Opening balance (at cost)		6,030,122,447	5,820,114,648
	Add : Additions		<u>1,527,756,591</u>	<u>210,772,799</u>
			7,557,879,039	6,030,887,447
	Less: Disposal/Adjustment		<u>(1,512,276)</u>	<u>(765,000)</u>
	Closing balance (a)		<u>7,556,366,763</u>	<u>6,030,122,447</u>
	Accumulated Depreciation			
	Opening balance		3,187,365,312	2,906,986,171
	Add : Charges for the year		<u>193,352,774</u>	<u>280,479,312</u>
			3,380,718,087	3,187,465,484
	Less: Disposal/Adjustment		<u>(1,276,347)</u>	<u>(100,171)</u>
	Closing balance (b)		<u>3,379,441,740</u>	<u>3,187,365,312</u>
	Written Down Value (a-b)		<u>4,176,925,023</u>	<u>2,842,757,135</u>
B	REVALUED ASSETS :			
	Revalued amount:			
	Opening balance (at revalued cost)		1,645,218,621	1,645,218,621
	Add : Additions		<u>-</u>	<u>-</u>
			1,645,218,621	1,645,218,621
	Less: Disposal/Adjustment		<u>-</u>	<u>-</u>
	Closing balance (a)		<u>1,645,218,621</u>	<u>1,645,218,621</u>
	Accumulated Depreciation			
	Opening balance		116,163,408	97,024,825
	Add : Charges for the year		<u>9,082,088</u>	<u>19,138,584</u>
			125,245,496	116,163,408
	Less: Disposal/Adjustment		<u>-</u>	<u>-</u>
	Closing balance (b)		<u>125,245,496</u>	<u>116,163,408</u>
	Written Down Value of Revaluation Assets (a-b)		<u>1,519,973,125</u>	<u>1,529,055,213</u>
	Total Written Down Value (A+B)		<u>5,696,898,147</u>	<u>4,371,812,348</u>
3	Investment			
	Investment in marketable securities	3.1	<u>49,993,930</u>	<u>54,819,850</u>
			<u>49,993,930</u>	<u>54,819,850</u>
	3.01 Investment in marketable securities			
	Opening balance		54,819,850	53,556,600
	Add: Addition during the year		<u>-</u>	<u>-</u>
			54,819,850	53,556,600
	Realized gain /(loss)		<u>(221,197)</u>	<u>12,830,775</u>
	Unrealized gain /(loss) for fair value adjustment :			(11,567,525)
	Closing balance		<u>(16,172,248)</u>	
	Opening balance		11,567,525	
			<u>(4,604,723)</u>	
	Closing balance		<u>49,993,930</u>	<u>54,819,850</u>
4	Capital work-in-process			
	Special Yarn Godown		-	6,268,793
	Special Yarn Building		7,109,089	164,511,100
	Baro Bigha Utility Building		38,622,906	37,644,316
	DAYCARE & MEDICAL		8,406,662	
	Baro Bigha Cotton Godown-2		6,336,017	
	Special Yarn Unit Machineries		-	1,100,524,575
	Machineries in Transit		<u>39,011,173</u>	<u>162,109,479</u>
			<u>99,485,847</u>	<u>1,471,058,264</u>

		Amounts in Taka		
		Notes	31 December 2022	30 June 2022
5	Inventories			
	Manufacturing Inventory	5.01	1,911,411,541	2,259,067,295
	Non Manufacturing Inventory	5.02	82,809,666	19,838,924
			<u>1,994,221,207</u>	<u>2,278,906,219</u>
5.01	Manufacturing Inventory			
	Raw cotton		1,494,594,888	1,665,017,316
	Provision for Obsolete Raw Materials		(8,360,909)	(8,360,909)
			<u>1,486,233,979</u>	<u>1,656,656,406</u>
	Finished yarn		169,477,598	428,909,621
	Packing materials		4,601,188	3,444,979
	Work-in-process		127,305,183	67,172,889
	Spare parts		123,793,593	102,883,399
			<u>1,911,411,541</u>	<u>2,259,067,295</u>
5.02	Non Manufacturing Inventory			
	Stock of Bandhan		2,326,186	3,335,662
	Stock of Stamp		42,228	42,228
	Stock of Medicine		153,540	187,454
	Other Production Material		7,500	7,500
	Construction Material		10,237,792	5,572,800
	Store Materials under Inspection		70,042,419	10,693,280
			<u>82,809,666</u>	<u>19,838,924</u>
6	Accounts receivables			
	Receivable other than related party		551,021,089	446,601,347
	Receivable from related party		1,507,454,846	881,657,190
	Bank interest receivable on FDR		6,113,016	6,113,016
	Claim Receivable		(8,155,211)	4,350,799
	Provision for bad debts		(76,695,545)	(76,695,545)
			<u>1,979,738,195</u>	<u>1,262,026,807</u>
07	Advance, deposits and Prepayments			
	Advance			
	Salary & Allowances		1,474,115	1,648,900
	Prepaid Insurance		3,682,050	8,292,294
	VAT Current Account		3,095,505	1,724,653
	Construction		5,835,248	1,245,192
	Expenses		40,315,861	28,659,979
	Advance Income Tax		381,213,583	341,097,692
			<u>435,616,362</u>	<u>382,668,711</u>
	Deposits			
	Security deposit for Utilities		48,373,695	48,373,695
			<u>48,373,695</u>	<u>48,373,695</u>
			<u>483,990,057</u>	<u>431,042,406</u>
08	Materials in transit			
	Margin and deposit (Raw Cotton)	08.01	209,014,418	62,615,810
			<u>209,014,418</u>	<u>62,615,810</u>
08.01	Margin and deposit (Raw Cotton)			
	Margin against Cotton		511,556	4,129,271
	Margin Against Bank Guarantee		12,142,773	13,127,773
	Materials In Transit		196,360,089	45,358,766
			<u>209,014,418</u>	<u>62,615,810</u>

	Amounts in Taka		
	Notes	31 December 2022	30 June 2022
09 Cash and bank balances			
Cash in hand		1,770,742	2,334,032
Balance in BO Account		10,829	10,446
Term Deposit		11,515,800	11,515,800
Bank balances with:			
Islami Bank Bangladesh Ltd			
Current account		1,216,890	1,208,773
Marginal deposit Account (Special)		52,531	52,531
Marginal deposit Account (Normal)		340,067	350,558
Marginal deposit Under Reserve		144,466	144,466
Foreign currency account		10,110	9,259
Exim Bank Ltd, STD account		13,534,236	5,901,840
Mercantile Bank Ltd			
STD account		41,836	42,690
Foreign currency account		84,979	77,828
HSBC Bank Ltd			
STD account		(59,823,589)	7,230,283
Foreign currency account		219,649,688	353,149,084
The City Bank Ltd			
STD account		1,922,051	2,230,808
Foreign currency account		1,064,519	67,185
Prime Bank Ltd			
STD account		1,292,415	1,292,760
Foreign currency account		164,100	150,289
Standard Chartered Bank - STD account		4,949,495	947,180
Dutch-Bangla Bank Limited - STD account		6,378,184	1,793,937
BRAC Bank Ltd			
STD account		3,494,673	18,750,513
Foreign currency account		3,668,773	44,079,799
Jamuna Bank Limited			
STD account		61,699	136,151
Foreign currency account		10,098,666	592,001
Mutual Trust Bank Ltd			
STD account		76,323,374	1,873,257
		<u>297,966,536</u>	<u>453,941,471</u>

		Amounts in Taka	
		31 December 2022	30 June 2022
10	Retained earnings	Notes	
	Opening balance		2,533,891,009
	Add: Profit made during the year		1,850,457,160
	Less: Dividend Paid		378,265,222
	Depreciation on Revalued Assets		(487,450,000)
	Add/(less): Deferred tax on revaluation reserve	13.02 (ii)	(389,960,000)
	Balance at 30 June 2021		9,082,088
			2,494,414
			2,435,150,632
			2,533,891,009
11	Revaluation reserves		
	This balance consists of as follows:		
	Balance at the beginning of the year		1,481,093,650
	Addition during the year		1,500,232,234
			-
			1,481,093,650
	Depreciation on Revalued Assets		(9,082,088)
			(19,138,584)
			1,472,011,562
			1,481,093,650
12	Long Term bank loan		
	Off Shore Loan & UPAS		1,422,631,958
	Less: Current portion of long term loan		1,054,404,943
			(669,722,215)
			752,909,743
			-
13	Deferred Tax Liability		
	Deferred tax assets and liabilities have been recognized and measured in accordance with the provision of IAS-12: Income taxes. Deferred tax assets and liabilities are attributable to the following:		
	A. Deferred tax liability on historical cost:		
	Carrying amount other than revaluation reserve		4,001,427,086
	Tax base		2,666,987,734
	Taxable Temporary difference		2,840,666,383
	Applicable tax rate (As per SRO 193 dated 30 June 2015 for Textile Sector.)		1,160,760,703
	Deferred tax liability on historical cost		15%
			15%
			174,114,106
			164,324,303
	B. Deferred tax liability against revaluation reserve:		
	i) Deferred tax liability against revaluation reserve other than land		
	Carrying amount other than land		321,439,791
	Tax base		330,521,879
			-
			321,439,791
	Applicable tax rate (As per SRO 193 dated 30 June 2015 for Textile Sector.)		15%
			15%
			48,215,969
			49,578,282

		Amounts in Taka	
		31 December 2022	30 June 2022
ii) Deferred tax liability on capital gain against revaluation of			
	Carrying amount other than building & others.	1,371,505,300	1,371,505,300
	Tax base	-	-
		<u>1,371,505,300</u>	<u>1,371,505,300</u>
	Applicable tax rate (3% As per section 53 H of ITO 1984)	3%	3%
		<u>41,145,159</u>	<u>41,145,159</u>
	Deferred tax liability against revaluation reserve B (i + ii)	89,361,128	90,723,441
C. Deferred tax liability on Right-of-Used (ROU) Assets:			
	Carrying amount of PV of lease obligation	4,383,814	5,897,255
	Carrying amount Right to Use Assets	3,538,856	4,865,928
	Taxable Temporary difference	<u>844,957</u>	<u>1,031,327</u>
	Applicable tax rate (As per SRO 193 dated 30 June 2015 for Textile Sector.)	15%	15%
	Deferred tax liability on Lease	126,744	154,699
	Total Deferred tax liability (A + B+ C)	<u>263,601,977</u>	<u>255,202,443</u>
14	Accounts payable		
	Suppliers	178,045,442	99,637,304
	Expenses	85,060,429	79,892,132
	Others	7,011,913	522,555
		<u>270,117,784</u>	<u>180,051,991</u>
15	Short term bank loan		
	UPAS Loan (Raw Cotton)	2,396,066,868	2,473,826,671
	Working Capital Loan	-	13,176,911
		<u>2,396,066,868</u>	<u>2,487,003,581</u>
16	Unclaimed dividend		
	Opening Balance	2,035,937	4,371,032
	Add: Addition during the year	487,450,000	389,960,000
	Less: Paid during the year	(415,173,508)	(392,295,095)
	Closing Balance	<u>74,312,429</u>	<u>2,035,937</u>
17	Provision & accruals		
	Provision for Income Tax	17.01 496,792,472	434,258,641
	Provision for workers' profit participation and welfare funds	17.02 84,177,698	61,649,653
		<u>580,970,171</u>	<u>495,908,294</u>

		Amounts in Taka	
		31 December 2022	30 June 2022
17.01	Provision for Income Tax		
	Opening Balance	434,258,641	241,426,481
	Add: Provision for taxation for the year (Note - 30)	62,533,831	192,832,161
	Less: Adjustment provision for previous years AIT	-	-
	Less: Adjustment provision for previous years deposit	-	-
	Excess/(Short) provision for taxations after final assessment order as below:		
	Add: Adjustment of short provision for the year 2016-2017	-	-
	Add: Adjustment of short provision for the year 2017-2018	-	-
	Add: Adjustment of short provision for the year 2018-2019	-	-
		<u>496,792,472</u>	<u>434,258,641</u>
17.02	Provision for workers' profit participation and welfare funds		
	Opening Balance	61,649,653	41,546,649
	Add: Addition during the year	22,528,045	62,241,507
	Less: Paid during the year	-	(42,138,503)
	Closing Balance	<u>84,177,698</u>	<u>61,649,653</u>

This represents 5% on net income before charging income tax as per provision of the Labour Law-2006, and it shall be allocated among the eligible workers as defined in the said Act.

		Amounts in Taka	
		31 December 2022	31 December 2021
18	Revenue		
	Carded Yarn	318,573,345	204,967,481
	Combed Yarn	1,870,567,716	984,451,197
	Slub Yarn	208,554,127	254,485,884
	Synthetic Yarn	599,910,040	722,264,981
	Melange Yarn	409,132,413	431,930,059
	Vortex	182,902,908	187,652,365
	Open End	311,472,538	194,690,245
	Twist	85,137,588	79,570,146
	Twisting Services Charges	502,970	283,108
		<u>3,986,753,644</u>	<u>3,060,295,466</u>
19	Cost of goods sold		
	Raw Material consumption (Note-19.01)	2,304,038,251	1,796,645,849
	Packing materials consumption (Note-19.02)	26,725,003	18,546,640
	Fiber Dyeing	18,148,421	11,920,259
	Manufacturing overhead (Note-19.03)	724,053,277	522,613,587
	Cost of goods manufacturing	3,072,964,953	2,349,726,336
	Opening work-in-process	67,172,889	61,624,815
	Closing work-in-process	(127,305,183)	(60,967,447)
	Cost of production	3,012,832,658	2,350,383,704
	Opening stock of finished yarn	428,909,621	166,706,650
	Closing stock of finished yarn	(169,477,598)	(209,137,533)
		<u>3,272,264,682</u>	<u>2,307,952,821</u>

19.01 Raw Material consumption**Value (Taka)**

Opening balance	1,665,017,316	754,617,992
Purchase during the year	2,133,615,824	1,764,975,287
Raw Material available for consumption	<u>3,798,633,139</u>	<u>2,519,593,280</u>
Closing balance	<u>(1,494,594,888)</u>	<u>(722,947,431)</u>
	<u>2,304,038,251</u>	<u>1,796,645,849</u>

19.02 Packing materials consumption

Opening balance	3,444,979	3,094,460
Purchase during the year	27,881,213	17,948,682
Packing materials available for consumption	<u>31,326,192</u>	<u>21,043,142</u>
Closing balance	<u>(4,601,188)</u>	<u>(2,496,502)</u>
	<u>26,725,003</u>	<u>18,546,640</u>

19.03 Manufacturing overhead

Salary and allowances	139,713,912	127,493,983
Repair and maintenance	3,646,823	3,777,713
BTMA certificate charges	244,625	503,375
Store and spare parts	31,632,692	36,042,728
Travelling & Conveyance	346,160	268,719
Crockeries and Canteen Expenses	369,180	320,490
Fire Fighting Expenses-factory	1,124,560	1,773,956
Factory stationeries	1,135,977	890,964
Fuel and lubricants	428,240	114,400
Fuel and lubricants- Generator	189,025,590	24,135,067
Fuel and lubricants- Vehicles	393,229	338,975
Electricity bill	133,553,766	94,930,592
Gas bill	34,408,654	94,216,033
Insurance premium	3,785,093	2,343,645
Testing fee	9,602	-
Workshop expenses	2,043,797	981,128
Depreciation	182,191,376	134,481,819
	<u>724,053,277</u>	<u>522,613,587</u>

20 Other income

Foreign currency exchange gain/(loss)	(91,203,763)	5,221,790
Gain /(Loss) on Investment in marketable securities	(4,825,920)	3,283,000
Bank interest received	200,347	493,246
Gain /(Loss) on Fixed Assets adjustment	(235,929)	(664,830)
Sales of wastage	47,838,174	39,159,888
Cash Dividend (received on marketable securities)	1,328,625	504,639
Rental Income	3,300,144	
Less: Repair and maintenance	(990,043)	
Miscellaneous Income	1,282,109	1,033,907
	<u>(43,306,257)</u>	<u>50,548,995</u>

21 Computation of Taxable Income & Tax Liability thereon

	Amounts in Taka			
	31 December 2022		31 December 2021	
A. Tax Payable on Total Taxable Income	62,533,831		100,906,177	
Reconciliation of effective tax rate	30 September 2022		30 September 2021	
	Percentage	BDT Amount	Percentage	BDT Amount
Profit before tax		450,560,901		643,076,321
On Business Income	15.00%	51,941,960	15.00%	89,209,151
On Foreign currency exchange gain/(loss)	20.00%	-	22.50%	1,174,903
On Sales of wastage (balance after setting off business loss)	20.00%	9,567,635	22.50%	8,810,975
On Misc. Income	20.00%	256,422	22.50%	232,629
On Bank interest received	20.00%	40,069	22.50%	110,980
On Cash Dividend (received on marketable securities)	20.00%	265,725	20.00%	100,928
On Gain /(Loss) on Investment in marketable securities	10.00%	-	10.00%	925,206
On Rental Income	20.00%	462,020	22.50%	341,405
Income tax expenses	13.88%	62,533,831	15.69%	100,906,177
B. Minimum Tax Payable u/s 82C(4)(a)				
Gross receipts during this year [Schedule-B]		4,034,887,080		3,111,509,291
Tax Rate		0.60%		0.60%
Minimum Tax u/s 82C(4)(a) of ITO 1984		24,209,322		18,669,056
C. Minimum Tax Payable u/s 82C(4)(a)				
Tax deducted at Source under section 52 BBBB		33,907,156		15,630,161
		33,907,156		15,630,161
Gross Tax Liability (higher of A, B and C)		62,533,831		100,906,177
(Excess)/Short provision for taxations after final assessment order as below:				
Total Current Tax		62,533,831		100,906,177

		Amounts in Taka	
		31 December 2022	31 December 2021
22	Deferred tax for statement of Profit & loss and Statement of other comprehensive income		
22.01:	Deferred tax for statement of profit & loss		
	Fixed assets:		
	Carrying amount *	4,001,427,086	2,724,069,086
	Tax base	(2,840,666,383)	(1,619,379,955)
	Taxable Temporary difference	1,160,760,703	1,104,689,131
	Tax rate	15%	15%
	(Tax rate is 15% on Textile sector as per SRO - 193 dated 30 June 2015)		
	Deferred tax liabilities as on 30 June 2021	174,114,106	165,703,370
	Deferred tax liabilities 30 June 2020	(164,324,303)	(164,077,959)
		<u>9,789,803</u>	<u>1,625,410</u>
	B. Deferred tax on Right-of-Used (ROU) Assets:		
	Carrying amount of PV of lease obligation	4,383,814	-
	Carrying amount Right to Use Assets	3,538,856	-
	Taxable Temporary difference	<u>844,958</u>	<u>-</u>
	Tax rate	15%	15%
	Deferred tax liabilities as on 30 September 2022	126,744	-
	Deferred tax liabilities 30 June 2022	(154,699)	-
		<u>(27,956)</u>	<u>-</u>
	Total Deferred Tax Expenses (A+B)	<u>9,761,847</u>	<u>1,625,410</u>
22.02:	deferred tax for statement of other comprehensive income		
(i)	Deferred tax liability against revaluation reserve other than land		
	Carrying amount other than land	321,439,791	340,012,519
	Tax base	-	-
		<u>321,439,791</u>	<u>340,012,519</u>
	Applicable tax rate (As per SRO - 193 dated 30 June 2015 for Textile Sector)	15%	15%
		<u>48,215,969</u>	<u>51,001,878</u>
(ii)	Deferred tax liability on capital gain on revaluation of land		
	Carrying amount other than building & others	1,371,505,300	1,358,959,500
	Tax base	-	-
		<u>1,371,505,300</u>	<u>1,358,959,500</u>
	Applicable tax rate (3% As per section 53 H of ITO 1984)	3%	3%
		<u>41,145,159</u>	<u>40,768,785</u>
	Deferred tax liability against revaluation reserve (i + ii)	<u>89,361,128</u>	<u>91,770,663</u>
	Deferred tax liabilities 30 June 2020	(90,723,441)	(93,217,854)
	Deferred tax for Statement of Other Comprehensive Income	<u>(1,362,313)</u>	<u>(1,447,192)</u>
	Deferred tax has been provided on Taxable Temporary difference.		
23	Earnings Per Share (EPS)		
	The computation of EPS is given below:		
	Earnings attributable to ordinary shareholders	378,265,222	540,544,734
	Weighted average number of ordinary shares outstanding at the year end	97,490,000	97,490,000
	Earnings per share (EPS)	<u>3.88</u>	<u>5.54</u>
23.1	Diluted earnings per share		
	No diluted earnings per share is required to be calculated for the year as there was no scope for dilution during the year.		
24	Net Assets Value (Per Share)		
	Total assets	10,814,847,194	10,391,089,103
	Less: Total current liabilities	(3,994,690,843)	(4,222,906,123)
		6,820,156,351	6,168,182,980
	Deduct:		
	Long Term & deferred liabilities	(1,017,394,158)	(257,598,321)
		<u>5,802,762,193</u>	<u>5,910,584,658</u>
	Number of Ordinary Share at statement of financial position date	97,490,000	97,490,000
	NAV - Per Share at statement of financial position date	<u>59.52</u>	<u>60.63</u>
25	Net Operating Cash Flow Per Share		
	Cash flows from operating activities as per statement of cash flows	382,484,274	1,082,411,161
	Number of Ordinary Share at statement of financial position date	97,490,000	97,490,000
	Net Operating Cash Flow - Per Share	<u>3.92</u>	<u>11.10</u>

26 Related party disclosure

i) During the year, the Company carried out a numbers of transactions with related parties in the normal course of business. The names of the related parties and nature of these transaction have been set out in accordance with the provisions of IAS -24:

Name of the related party	Relationship	Nature of transaction	Value of transactions (Taka)	Closing balance as of December 31, 2022 (Taka)	Status as of December 31, 2022	Closing balance as of Decemberr 31, 2021(Taka)	Status as of December 31, 2021
Flamingo Fashions	Sister Concern	Sale of yarn	902,791,824	208,351	Debtor	108,902,739	Debtor
Jinnat Fashions Ltd	Sister Concern	Sale of yarn	96,243,244	27,639	Debtor	1,406,964	Debtor
Jinnat knitwears	Sister Concern	Sale of yarn	1,839,966,635	1,117,850,788	Debtor	564,530,547	Debtor
Jinnat Apparels Ltd	Sister Concern	Sale of yarn	213,689,152	88,187,284	Debtor	45,357,994	Debtor
Mawna Fashions	Sister Concern	Sale of yarn	168,797,035	92,149,784	Debtor	91,691,424	Debtor
Hamza Textiles	Sister Concern	Sale of yarn	196,089,272	155,003,306	Debtor	59,100,484	Debtor
Parkway Printing & Packaging Ltd.	Sister Concern	Sale of yarn	-	(1,494,623)	Debtor	18,604,280	Debtor
		Godown Rent &	-	1,531,172	Debtor	5,622,807	Debtor
DBL Distribution	Sister Concern	Fuel & Lubricant	181,794,913	35,701,557	Creditor	14,411,372	Creditor
Color City Ltd	Sister Concern	Fiber Dyeing	9,116,313	19,935,667	Creditors	6,219,526	Creditors
DB Trims Ltd	Sister Concern	Sale of yarn	24,409,631	24,409,631	Debtor	-	Debtor
		Godown Rent &	12,184,440	12,184,440	Debtor	5,301,575	Debtor
DBL Ceramics Ltd	Sister Concern	Tiles	5,572,367	5,987,051	Creditors		
Dulal Brothers Ltd	Sister Concern	Sale of yarn	43,990,679	14,519,421	Debtor		-
DBL Life Style Ltd	Sister Concern	Services	-	226,263	Creditors		
DBL Textile	Sister Concern	Rental Income	-	2,107,651	Debtor	-	-

ii) Key management personal compensation comprised the following:

The Company's key management personal includes the Company's Managing Directors.

a) Short-term employee benefit:

Short term employee benefit includes remuneration, festival bonus and meeting attendance fees.

<i>In Taka</i>	30 September 2022	30 September 2021
Directors' remuneration	2,100,000	2,100,000
Board meeting fees	979,000	649,000
	3,079,000	2,749,000
b) Post employment benefit:	-	-
c) Other long-term benefit:	-	-
d) Termination benefit:	-	-
e) Share- based payment:	-	-
	3,079,000	2,749,000

27 Reconciliation of net operating cash flow

Cash Flow from Operations

Net income	378,265,222	540,518,591
Less: Dividend Income transfer to investing activities	(1,328,625)	(504,639)
Less: Interest on FDR and Bank Accounts transfer to investing activities	(200,347)	(493,246)
Less: Effects of foreign currency translation gain /(loss)	(19,687,400)	(4,713,070)
Depreciation and amortization	202,434,862	149,424,243
Depreciation on Right-of-Used (ROU) Assets	1,327,071	263,883,376
Decrease (increase) in current assets	(622,173,721)	198,334,448
Decrease (increase) in current liabilities	238,322,074	178,219
Deferred tax liability	8,399,534	(25,471,861)
Unrealized gain/(loss)	29,165,373	(8,983,115)
Capital expenditure	(1,229,701,980)	11,095,135
Decrease (increase) in Revaluation Reserve	10,444,401	-
Gain /(Loss) on Investment in marketable securities	-	381,934
Capital work-in-process	1,387,217,810	(41,238,855)
Cash flow from operating activities	382,484,274	1,082,411,161

28 Previous year's figures have been rearranged, wherever considered necessary, to conform to current year's presentation.

29 Figures are rounded off to the nearest Taka.

30 Disclosure of key management personnel compensation:

As per the paragraph 17 of IAS-24: Related Party Disclosure, there was no payment of benefits during this period on account of:

- a) Short-term employee benefits
- b) Post-employment benefits
- c) Other long-term benefits
- d) Termination benefits
- e) Share-based payment.

31 There was no seasonal/cyclical variation during the reporting period.

32 **Business performance and explanation on significant changes**

Compare to same period last year, sales revenue in current period increased by 30% mainly due to higher sales quantity but average sales price has been decreased per KG from \$4.69 to \$4.20 and cost of sales increased from 75.42% to 82.08% which affect to reduce our gross profit margin from 24.58% to 17.92% and net profit ratio from 17.66% to 9.49%.